

HOUSE BILL No. 1872

DIGEST OF INTRODUCED BILL

Citations Affected: IC 12-15-11.5-6.

Synopsis: Disputed Medicaid hospital claims. Requires that a Medicaid claim submitted for payment by a Lake County disproportionate share hospital be treated as a disputed claim, for purposes of arbitration, under certain circumstances. (The introduced version of this bill was prepared by the interim study committee on Medicaid oversight.)

Effective: January 1, 2001 (retroactive).

Brown C, Dillon

January 17, 2001, read first time and referred to Committee on Public Health.

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Introduced

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

HOUSE BILL No. 1872

A BILL FOR AN ACT to amend the Indiana Code concerning Medicaid.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 12-15-11.5-6, AS ADDED BY P.L.142-2000,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2001 (RETROACTIVE)]: Sec. 6. **(a) As used in this**
4 **section, "clean claim" has the meaning set forth in IC 12-15-13-0.5.**

5 **(b)** A claim for reimbursement for services shall be treated as a
6 disputed claim under this chapter if:

7 (1) it is submitted within one hundred twenty (120) days after the
8 date that services are rendered;

9 (2) it is denied by the managed care contractor;

10 (3) the hospital submits a written notice of dispute for the claim
11 to the managed care contractor not more than sixty (60) days
12 after:

13 **(A)** the receipt of the denial notice; or

14 **(B) the occurrence of an event described in subsection (c);**

15 (4) it is appealed in accordance with the managed care
16 contractor's internal appeals process; and

17 (5) payment for the claim is denied by the managed care

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contractor following its internal appeals process.

(c) For purposes of subsection (b), a claim shall be considered denied if any of the following events occur:

(1) The managed care contractor advises the hospital in writing that the managed care contractor will not pay the claim in whole or in part.

(2) The managed care contractor fails to either:

(A) pay in full; or

(B) deny;

a clean claim within thirty (30) days after the claim is filed by the hospital.

(3) The managed care contractor pays a clean claim in an amount that is:

(A) less than the claim submitted; and

(B) unacceptable to the hospital.

(4) The managed care contractor fails to:

(A) pay in full; or

(B) deny;

a claim based on the managed care organization's determination that the claim is not a clean claim, the hospital objects to the managed care organization's determination, and the issue is not resolved between the parties within thirty (30) days after the hospital's submission of the claim.

(d) If a claim is considered disputed under subsection (c)(4), the internal review body or arbitrator, as applicable, shall determine whether the claim is a clean claim. If the internal review body or arbitrator determines that the claim is a clean claim, the internal review body or arbitrator shall determine the amount to be paid on the claim. A hospital shall provide the internal review body or arbitrator with any additional information needed to determine the amount to be paid on the claim.

SECTION 2. An emergency is declared for this act.

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